### **Historic, Archive Document**

Do not assume content reflects current scientific knowledge, policies, or practices.



RESERVE A 284.377 R 31

٧

# UNITED STATES DEPARTMENT OF AGRICULTURE LIBRARY



RESERVE BOOK NUMBER A284.377 U. S. DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE.

SOUTHERN UTILIZATION RESEARCH BRANCH,

A REPORT ON FARM VALUE OF CROPS\* CONSUMED IN INDUSTRIAL (NON-FOOD AND NON-FEED) END USES. ALSO IMPORTS OF IMPORTANT AGRICULTURAL CROPS USED INDUSTRIALLY

(Date) May 24, 1956

Prepared by: Industrial Analysis Unit
Engineering and Development Section

Kenneth M. Decossas, Chemical Engineer

and
Claire L. Weber, Statistical Clerk

in cooperation with: A. M. DuPre, Jr. on Cotton;
Dr. V. H. McFarlane, P. R. Dawson and C. L. Rasmussen (WURB)
on Citrus Products; E. L. Patton and Dr. L. A. Goldblatt on
Naval Stores; F. G. Dollear on Tung; Dr. J. D. Reid, C. L. Sens
and G. Brereton (Industry) on Ramie; J. J. Spadaro on Chemical
Grade Cellulose; and Mrs. D. B. Skau, New Orleans Branch of
U.S.D.A. Library.

Reviewed by:

E. F-Polkard

E. F. Pollard, Assistant Head Engineering and Development Section

S. DEPT. OF AGRICULTU

Approved by:

E. A. Gastrock, Head

Engineering and Development Section

\* Crops included are those assigned to the Southern Branch for evaluation.

SOUTHERN REGIONAL RESEARCH LABORATORY, 1100 Robert E. Lee Boulevard New Orleans, 19, Louisiana



17 100

## Farm Value of Crops Consumed in Industrial (Non-Food and Non-Feed) Uses 1955

	Million Dollars
Cotton	1875.
Chemical Grade Cellulose	33.3
Cottonseed Oil	•350
Cottonseed Oil Foots (1954)	1.17
Non-Chemical Grade Linters	13.6
Naval Stores	26.1
Citrus Bioflavonoids	product value only
Citrus Meal and Molasses	nil
Pectin	•5
Ramie	1.2
Tung	5.6
Total	<b>\$1956.</b> 8



Farm Value of Cotton Used by the Industry during the 1954-55 Marketing Year, and estimates for the 1955-56 Marketing Year

#### Recap:

Products	Raw Material	Farm Ve (Mil. doll	and the second of the second o
All products containing U. S. cotton	U. S. Cotton	1954-55 2,060	$\frac{1955-56}{1,875}$

#### Consumption\*of U. S. Cotton

1954-55	12,250,000	500# gross wt. bales
1955~56**	11,150,000	500# gross wt. bales

<sup>\*</sup> Domestic consumption plus exports.

<sup>\*\*</sup> Estimated



Farm Value of Cotton Used by the Industry in 1954-55 and 1955-56 Marketing Years

1954. Domestic consumption and exports of U. S. Cotton during 1954-55 was 12.25 million 500-pound-gross-weight bales valued at

cents/
$$\frac{\mu}{\pi}$$
 bales  $\frac{\mu}{\pi}$ /bale 33.61 (12,250,000) (500) = \$2,060,000,000

1955. Domestic consumption and exports of U. S. cotton during 1955-56 is estimated to be 11.15 million 500-pound-gross weight bales based on March 1956 forecasts. The estimated value based on the 1954-55 marketing season average price is

cents/# bales #/bale 33.61 (11,150,000) (500) = \$1,875,000,000



## Farm Value of Chemical Grade Cellulose Used by the Industry 1954 and 1955

#### Recap:

Products	Raw Materials	Farm Value (Mil. dollars) 1954 1955
Cotton linters pulp	Cottonseed	14.5 11.4
Dissolving wood pulp	Pulpwood	17.2 21.9

#### Industrial Consumption

	1954	1955
Chemical Grade Cotton Linters	1,115,000 running bales	n.a. until end
		of season *
Dissolving wood pulp	776,027 short tons	983,444 short tons

\* Consumption by bleachers during the first 7 months of 1955-56 was substantially higher than the same period of 1954-55. The larger consumption was probably caused by a high level of economic activity in the United States and relatively low prices for linters.

#### Cotton Linters

Cotton linters consumed by bleachers amounted to 884,298 bales during the 1954-55 season. Total disappearance of the chemical grades including 230,000 running bales exported was 1,115,000 running bales, or 88% of production. The value of chemical grade linters was determined to be 4.8 percent of the total value of products from cottonseed in the 1954-55 and 1955-56 seasons (see following page); and that percentage was taken as the percentage of the farm value of cottonseed which might be attributable to chemical grade linters produced. Imports of all grades of linters amounting to 182,000 bales were not included in this estimate because no breakdown by grade was available.

en de la companya de la co . 

1954-55 season	tons cottonseed (5,709,000) (\$60.30/ton) (0.048) (.88) =	\$14.5 million
1955-56 season	tons cottonseed (6,043,000) (44.50) (0.048) (.88) =	\$1 <b>1.</b> 4 million

#### Value of Products from 1 ton cottonseed for 1954-55 season

			Value Dollars	% Total Value	
Oil			44.32	52.2	
Meal			30.26	35.7	
Linte	ers		7.24	8.5	
Hull	s		3.04	3.6	
			84.86	100	
Grade	Avg. Price 1954-55 Cents/pound	% of Total Produced	Aggregate Price Cents/pound	% of Linters Value	% of Cottonseed Products Value
1	8.37	0.1	.008 )		
2	8.17	10.3	.841	43.5	3 <b>.</b> 7
3	6.32	10.9	.688	40.0	<i>U</i> • <i>I</i>
4	4.55	3.8	.172 )		
5	3.28	31.0	1.017 )		
6	2.77	29.2	.809	56.5	4.8
7	2.71	14.7	.398 )		
Total		100.	3.933		



Estimated Value of Products from 1 ton cottonseed based on yields and prices prevailing thus far in 1955-56 season

	Yield	Price	Valu	ıe	% Total Value
Oil	333# @	12.9 cents/#	\$42.	90	54.7
Meal	941# @	\$55.50/ton	26.	.11	33.3
Linters	1817 (0,	3.5 cents/	6.	.34	8.1
Hulls	(assumed	same as 1954-5	5 season) 3.	.04	3.9
Total			<b>₿78</b> .	.39	100.0
Grade	Avg. Price AugJan. (1955-56)	Total	Aggregate Price	% of Linters Value	% of Cottonseed Products Value
1	9.14	-			
2	8.05	•04	.32 )		
3	6.24	.13	.81 )	41%	3.3
4	4.51	.07	.32 )		
5	3.22	•14	•45 )		
6	2.59	•50	1.30	59%	4.8
7	2.53	.12			
			3.50		

Wood Pulp

#### 1954

The United States produced 776,027 short tons of special alpha and dissolving grades of wood pulp in 1954. For this estimate it was assumed that all of this was consumed domestically or exported. (North American producers' inventories increased only 16 thousand short tons during 1954). This production (or industrial consumption) represents 4-1/4 percent of total woodpulp production.



During the same period 29,436,383 cords of pulpwood were consumed for woodpulp of all grades, and the value of 4-1/4 percent of this pulpwood is estimated to be

$$(29,436,383)$$
  $(.0425)$   $(313.75) = 317,200,000$ 

#### 1955

983,444 short tones of special alpha and dissolving grades of wood pulp were produced in 1955. Since there was no apparent change in inventories at pulp or paper mills during the period the production was assumed to be industrial consumption (whether domestic consumption or exports for foreign consumption). This production represents 4-3/4 percent of total wood pulp production. During the same period 33,332,011 cords of pulpwood were consumed for woodpulp of all grades, and the value of 4-3/4 percent of this pulpwood is estimated to be

(33,332,011) (.0475) \$13.80 = \$21,850,000



Farm Value of Cottonseed Oil Used by the Industry in Non-food Uses 1954 and 1955

#### Recap:

Products	Raw Material		Value .ars) 1955
Inedible products (for example rubber,	Cottonseed	100,000	350,000
cosmetics, putty, lub greasec) containing cot oil:			

## Industrial Consumption of Cottonseed Oil in Inedible Products

	Quantity	Refined Oil Value
1954	1,090,000 pounds	\$ 230,000
1955	3,558,000 pounds	715,000



1,090,000 pounds in 1954 valued at \$230,000 based on an average season price for cottonseed oil of 21 cents per pound.

The farm value of cottonseed oil was determined to be 52.2 percent of the total value of products from cottonseed in the 1954-55 season; and that percentage was taken as the percentage of the farm value of cottonseed which might be attributable to cottonseed oil. Only 0.05% of cottonseed oil produced was consumed in inedible products with a farm value of

tons crushed \$\forall \ton \\ (5,709,000) \quad (60.30) \quad (0.52) \quad (.0006) = \$100,000

Similarly for 1955

(6,043,000) (44.50) (0.55) (.0024) = \$350,000



#### Farm Value of Cottonseed Oil Foots Used by the Industry during 1954

#### Recap:

Products
Raw Material
Farm Value

Industrial products
containing cottonseed
oil foots or fatty acids
therefrom

Industrial Consumption

Quanti.ty Raw Foots Value
Cottonseed oil foots 84.3 million pounds \$1,680,000



Farm Value of Cottonseed Oil Foots Utilized by the Industry during 1954.

The production of cottonseed oil foots is not reported as such. The best available information on foots production is reported as refining loss which is obtained by difference from the consumption of crude oil in refining, and the production of refined oil. This loss includes fatty acids, neutral oils, unsaponifiables, phospholipides, and impurities. Cottonseed oil refining loss amounted to 123 million pounds in 1954.

The consumption of all vegetable foots in 1954 amounted to 163 million pounds or 68.5 percent of production. Assuming that percentage of production to be applicable to the consumption of cottonseed oil foots, then the quantity of cottonseed oil foots consumed was

(123,000,000) (0.685) = 84.3 million pounds

million " b/nound

with a value of

based on a price of 2 cents per pound for raw foots.

The farm value of cottonseed oil foots consumed is computed on the basis of crude oil farm value and a ratio of the value of foots consumed over the value of crude oil produced

\* · · · · 

## Farm Value of Non-Chemical Grade Linters Used by the Industry

#### 1954-55 and 1955-56 Seasons

#### Recap:

Products	Raw Material	Farm (Mil.	Value Dollars)
		1954	1955
All products containing non-chemical grade cotton linters	Cottonseed.	\$17.3	\$13.6

#### Industrial Consumption

	1954	1955
Non Chemical Grade Cotton Linters	609,000 Running Bales	N.A. until end of season*

<sup>\*</sup> Consumption by both bleachers and other consumers during the first seven months of 1955-56 was substantially higher than the same period of 1954-55.

The state of the second second And the second • 4 

## Farm Value of Non-Chemical Grade Linters Used by the Industry

Cotton linters utilized by consumers other than bleachers amounted to 584,000 bales during the 1954-55 season. Total disappearance of the non-chemical grades including 25,000 running bales exported was 609,000 bales, or 144% of production.

The value of non-chemical grade linters was determined to be an average of 3.5% of the total value of products from cottonseed in the 1954-55 and 1955-56 seasons (See Farm Value of Chemical Grade Cellulose going into Industrial End Uses); and that percentage was taken as the percentage of the farm value of cottonseed which might be attributable to non-chemical grade linters.

1954-55 Season	Tons Cottonseed (5,709,000)	\$/Ton (60.30)	(0.035)	(1.44)	grants to-the	\$17.3 Million
1955-56 Season	(6,043,000)	(44.50)	(0.035)	(1.44)	****	\$13.6 Million

Company of the Compan 

#### Citrus Bioflavonoids

Recap:

1955	Production	Product Value
Vitamin P	150,000 pounds	\$1,800,000

Associated Press Release of March 5, 1956, stated production of Vitamin P at 150 thousand pounds valued at \$1,800,000. It was reported in the April 10, 1956 issue of Oil, Paint and Drug Reporter that sales in the drug field in 1955 were a full ten times greater than those of the previous year.

Because of the fact that we do not know what relative amounts of the bioflavonoids are extracted from lemons, grapefruit and oranges, nor to what extent they are extracted from pulp and peel already evaluated under "Pectin", it is believed that any "farm value" estimate by us at this time would be a guess.



Information on the Utilization by Industry of Citrus Meal and Molasses

#### Summary:

We know of no industrial end use of citrus meal. Supplies of citrus molasses from Florida for utilization in the production of ethyl alcohol have been all but wiped out by the increased demand from cattle feeders in Florida.

The farm value of raw materials going into industrial utilization (non-food and non-feed uses) is believed to be nil.



Information on the Utilization by Industry of Citrus Meal and Molasses

Citrus Meal: We know of no industrial end use of citrus meal. Citrus meals are among the more widely accepted feeds for beef cattle and dairy cows. During the 1953-54 season, 21,400 tons of meal and 264,000 tons of pulp from Florida citrus alone were consumed. April, 1956 prices at Atlanta, Ga., were pulp \$44, meal \$41.50/ton, sacked.

Citrus Molasses: Citrus molasses is a carbohydrate source for microbiological conversion to other products such as ethyl alcohol, methane, citric acid, and torula yeast for cattle feed. Other than the first named, ethyl alcohol, we are not aware of any commercial production, but considerable experimental work has been conducted with all the foregoing. The quantity of orange molasses consumed in alcohol production in California in 1948 was 606,528 gallons.

It has been reported that if the price of blackstrap molasses falls below \$20 per ton, it does not pay to sell molasses for by-product use, and instead it is added to dried citrus meals. In the 1953-54 season more than 55 thousand tons of citrus molasses were produced from Florida citrus. In April, 1956, at Atlanta, Ga., citrus molasses sold for \$20/ton bulk, fob Florida producing points, in limited supply. It has been reported that citrus molasses supplies have been all but wiped out by the increased demand from cattle feeders in Florida. The trend of feed molasses usage is continuing upward.



Farm Value of Naval Stores Used by the Industry in 1955-56 Naval Stores Year

### Rocap:

Products	Raw Materials	Farm Value (Mil. dollars)
Gum Turpentine and Rosin	Pine Gum	20.2
Steam Distilled Turpentine and Rosin	Stumps	2.0
Sulfate Turpentine	Wood .	1.6
Tall Oil	Wood	2.3
All	All	26.1

## Industrial Consumption

Naval Stores	Quantity	Product Value
Turpentine (wood & gum)	650,000 (50 gal. bbl.)	\$16,000,000
Rosin (wood & gum)	1,825,000 (520 lb. drum)	79,500,000
Tall oil (crude)	550-600,000,000 lb.	15,000,000
		\$110 <b>,</b> 500 <b>,</b> 000
Additional:		
Pine Oil	187,000	7,500,000
Pine Tar	98,660	1,750,000
Dipentene	36,340	1,200,000
Other menegralia hydro		
Other monocyclic hydro- carbons	92,660	1,000,000
		\$11,450,000
Total		\$121,950,000



Farm Value of Naval Stores Used by the Industry in 1955-56 Naval Stores Year

#### Gum

The farm value of gum naval stores used by the industry was computed from the quantities of the gum turpentine and gum rosin consumed, and the season average price of pine gum. Losses in processing the gum into turpentine and rosin were assumed negligible.

Gum Products

Industrial Consumption

Mil. pounds 1/

Turpentine

149,000 bbls.: 53.6

Rosin

452,970 drums : 235.5

Total 289.1

1/ Barrels of 50 gals. of gum turpentine converted to pounds by factor 7.2 pounds per gallon (360 pounds per barrel) and drums of gum rosin converted to pounds by factor 520 pounds per drum.

Equivalent quantities of pine gum 289.1 mil. pounds or 741.3 thous. bbls. Value of pine gum = 20.2 million dollars based on \$27.30 per Standard bbl.

#### ™ood

For wood naval stores, two major classifications are considered:

- (1) Steam Distilled Products
- (2) Sulfate Products

#### Steam Distilled Products:

It was considered that the most prevalent practice is for the



naval stores industry to pay landowners between \$1.00 and \$1.50 per acre to clear stumps from their property. The amount paid depends upon such factors as new tree density and stump density.

Steam Distilled Products

Industrial Consumption

Mil. pounds

Turpentine

201,270 bbls. 1/:

72.5

\_

1,369,440 drums :

712.1

Total

Rosin

784.6

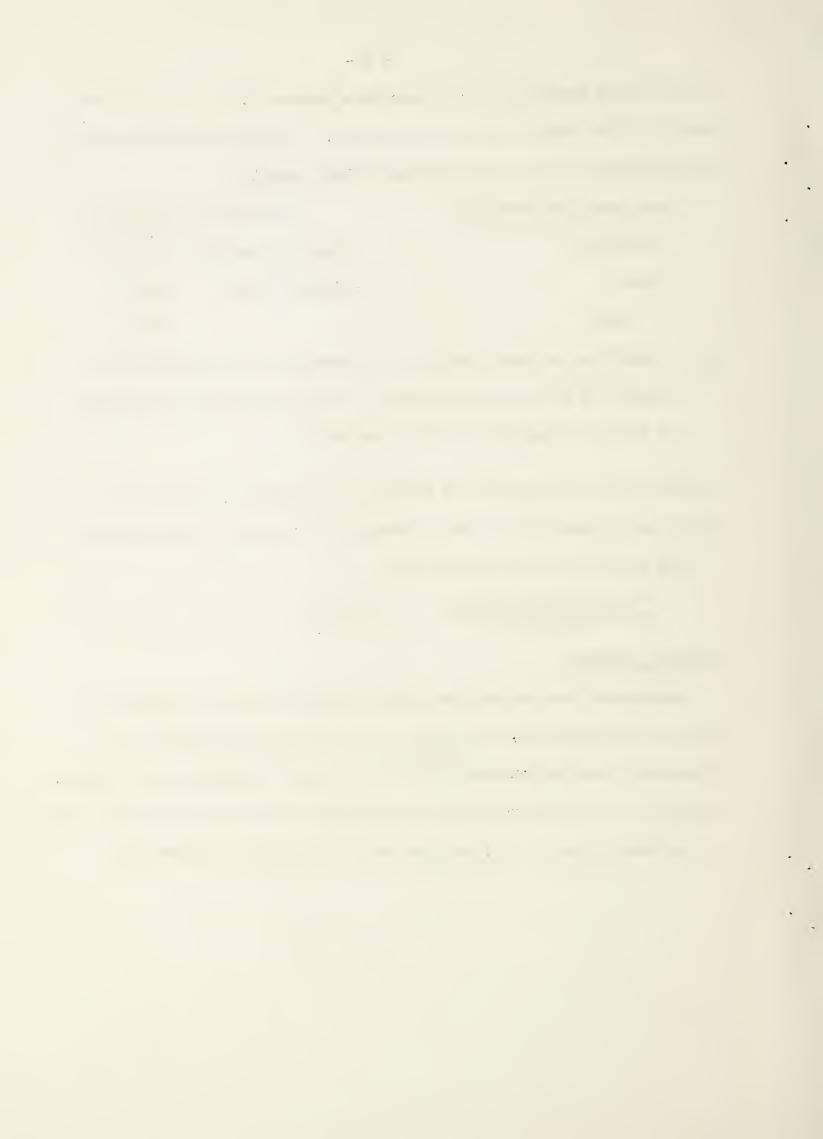
Consumption of steam distilled turpentine based on production.
Assumed to be in same proportion to total turpentine consumption as is its production to total production.

Assuming the resin content of stumps is 25 percent by weight, and that there is an average of 1 ton of stumps per acre, then the farm value of the raw material is approximately

$$\frac{784.6 \text{ million } (01.25)}{.25 (2000)} = 01,960,000$$

#### Sulfate Products:

Turpentine from the sulfate process and tall oil are by-products of the paper industry, and because combined they are worth but appercent proximately one and one-half of the Kraft paper industry product value, their value of the farm level is considered to be one and one half percent of pulpwood value, or \$1.6 million and \$2.3 million respectively.



Sulfate Foodpulps produced in the manufacture of paper and board, Preliminary 1955

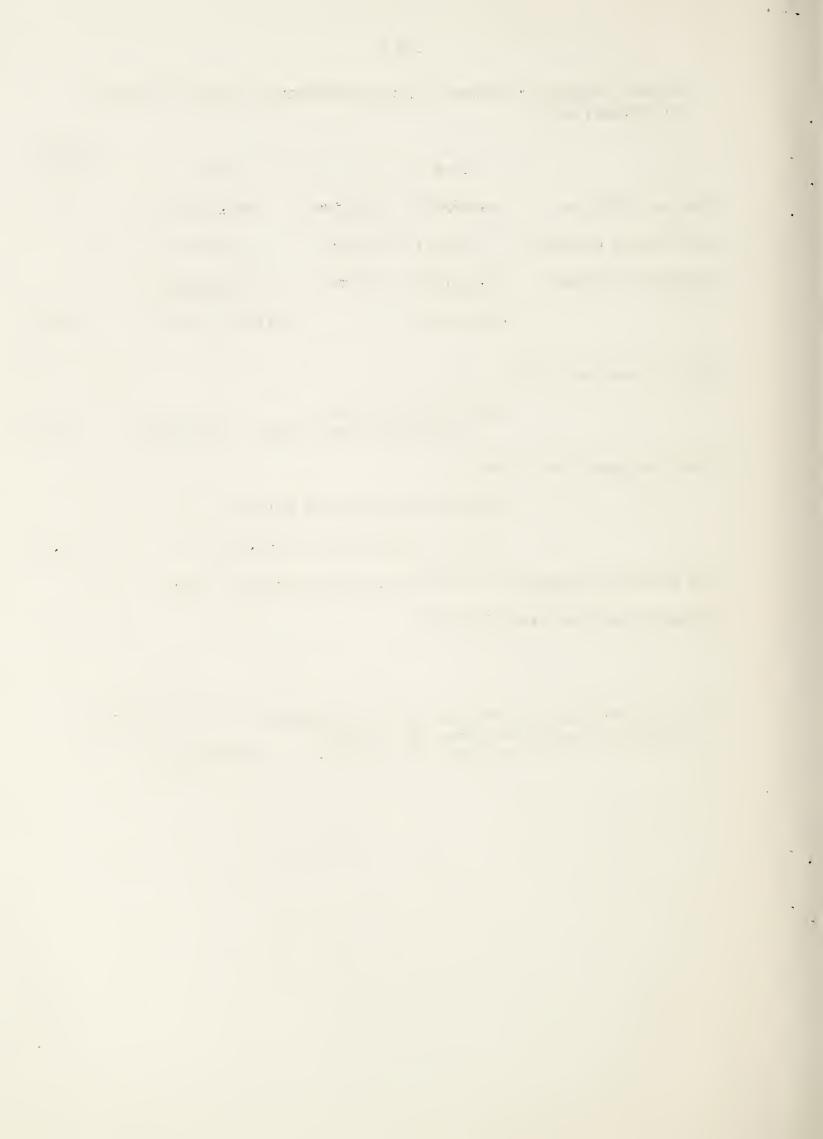
<i>,</i>	Tons	Value	% Total Value
Bleached Sulphate	3,626,936 @ \$150/ton	040,000°,000°	
Semibleached Sulphate	483,917 @ 135/ton	65,329,000	
Unbleached Sulphate	7,881,850 ⋈ 115/ton	906,413,000	
	11,992,703	\$1,515,782,000	98.53

Tall oil produced, 1955

Turpentine produced, 1955-56

Tall oil and turpentine are worth only 1.14 percent of total product value from Kraft Process.

1.62 (11,993,000) = 19,600,000 cords of pulpwood (3 \$13.80 per cord = /factor for converting tons of wood pulp to cords of pulpwood. \$270,480,000



## Farm Value of Pectin Used by the Industry in Non-Food Uses

## Recap:

Products	Raw Materials	Farm Value
Any non-food product containing pectin	Lemon Cannery Waste	\$500,000

## Industrial Consumption (Non-Food)

Material	Quantity	Value
Pectin	300,000 pounds	\$600,000



Farm Value of Pectin Used by the Industry in Non-Food Uses

Three thousand tons of pectin (6,000,000 pounds) were produced in 1951 of which more than half was derived from citrus fruit. Of this, 2,000,000 pounds were produced by the Exchange Lemon Products Co. in Corona, Calif. More than half of that company's production went into the preserving industry for jellies and jams, and for use in a variety of food and pharmaceutical applications. It has been estimated that at least 75 percent of the world's pectin production goes into jams, jellies, preserves and marmalades. Data obtained in WURB indicated 95% of all pectin is used in preparation of jams and jellies; and that the other 5 percent have many outlets including other foods and therapeutic. In 1955 it was reported that the use of F grade pectin in medicine is expanding greatly but nevertheless it is believed that the amount of pectin so consumed is still a small percentage of total.

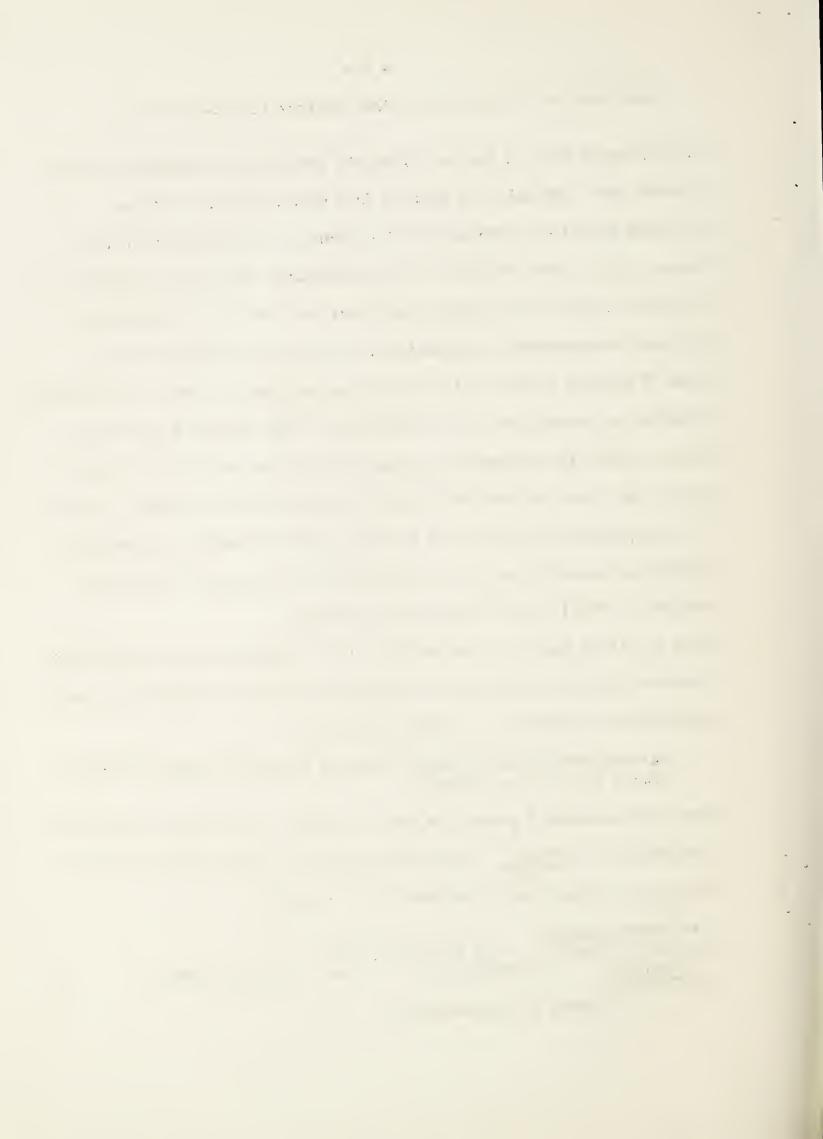
Based on all of the above information, it is estimated that approximately 5 percent of pectin production (or 300,000 pounds) is consumed in pharmaceuticals and cosmetics, the pectin valued at

dollars/pound (citrus pectin, National Formulary powdered barrels)
 (2.05) (300,000) = \$600,000

Fresh peel contains 3 percent or more of pectin - so it can be said that an equivalent of  $\frac{300,000}{.03}$  or 10,000,000 lbs. of lemon cannery waste was utilized in pectin production with a farm value of

```
Estimated quantity
utilized for poetin Gash receipts, lemons
10,000,000/ (50,299,000) = $500,000 approx.

7 Total lemons consumed
```



# Farm Value of Ramie Used by the Industry in 1954, and estimates for 1955

## Recap:

Raw Material	Industrial Consumption including exports		Farm Value Million dollars	
			1954	1955
Ramie	1954 2,000,000 pounds dry ribbons	1955* 4,000,000 pounds dry ribbons	\$600,000	\$1,200,000

<sup>\*</sup> Estimated



Farm Value of Ramie Used by the Industry in 1954, and estimates for 1955

1954. The largest grower of ramie, Newport Industries, Inc., with 2500 acres, produced 2 million pounds of dry ribbons in 1954. Of this 200,000 pounds were degummed in the company's plant at Clewiston and sold for domestic consumption. The balance was released for export in the undegummed form.

1955. Mr. Gilbert Brereton of New Orleans has been engaged in ramie work

Were
for some time. He indicated on May 21, 1956, that about 3000 acres are
harvested for
plantagetical ramie, that 3000 additional acres are ready for planting, and
that marketing of the fiber is no problem. He stated that harvesting

methods being used are reducing yields which could be as high as 1500-1800
pounds of degummed fiber per acre. For the purpose of this estimate, a

yield of 1000 pounds of degummed fiber (or approximately 1350 pounds of
dried undegummed fiber) was used.

Total production for 1955 is estimated to be:

acres pounds/acre
(3000) (1350) = 4,000,000 pounds dried undegummed fiber

valued at \$1,200,000 based on a reported price of 30 cents per pound.

 4.1\*

#### Recap:

Products	Raw Materials	Farm Value (Mil. dollars)
All products containing U. S. Tung	U. S. Tung	, , , , , , , , , , , , , , , , , , ,
1953-54 "	11	Total U. S. Crushings
1954-55 "	tt	Total U.S. Crushings plus purchases from CCC
		\$4 <b>.</b> 9
1955-56* "	11	Total U. S. Crushings
Three Year Avg. "		<b>Ş5</b> •6

<sup>\*</sup> Estimated from trade source information.

### Industrial Consumption

1	9	5	3	 5	4

Domestic tung oil	6.6 mil pounds
Imported tung oil	41.5 mil pounds
1954-55	
Domestic tung oil	15 mil pounds
	10 mil pounds from CCC
Imported tung oil	25 mil pounds

Farm Value of Tung Used by the Industry in 1953-54 Tung Marketing Year (Last year of normal domestic production).

The U.S. consumption of tung oil in each of the last four marketing years was about 50 million pounds. The United States has always for the most part depended upon imports to meet its domestic requirements.

1954 and 1955 have been years of low output because of unfavorable weather conditions. In 1953, the last year of normal domestic production, tung nuts were crushed by the industry valued at

(112,600)(\$66.80) = \$7,500,000

During that year, however, 33 million pounds of tung oil or fourfifths of the domestic oil was placed in CCC stocks under nonrecourse
loans, which means that imports supplied most of the U. S. consumption.
Because of heavy freezes in the two years following CCC holdings had
dwindled to 9 million pounds at the end of March, 1956. So looking at
the tung picture over a period of the last few years -

- 1953: 6.6 million pounds of oil from 18,750 tons of domestic nuts valued at \$1,250,000; and 41.5 million pounds of imported oil valued at \$8.3 were consumed.
- 1954: 15 million pounds of oil from 50,000 tons of domestic nuts valued at \$3 million; 10 million pounds of domestic oil from CCC valued at \$2.2 million and 25 million pounds of imported oil valued at \$4.9 million were consumed.

Crushings by the U.S. industry in 1954 amounted to 46,600 tons valued at

(46,600) (\$59.40) = \$2,800,000

1955: It is estimated that this year's crop will produce 28 million pounds of oil. Based on the 1954 yield of 325 pounds of oil per ton of tung crushed and a support price of \$51.06 per ton.



the estimated value of domestic crushings is:

$$\frac{28,000,000}{325} \quad (51.06) = 34,400,000$$



U. S. Imports for Consumption

C. Y. 1955

Commodities	Quantity (Mil. pounds)	Value (Mil. Dollars)
Natural Rubber inc. latex and guayule	1,422.9	440,6
Castor Oil	95.3	8.9
Castor Beans	87.5	4.1
Palm Oil	44.2	4.6
Palm Kernel Oil	8.7	1.0
Babassu kernels	17.5	-
Coconut Oil	145.3	16.3
Copra	701.6	40.9
Tung Total	21.1	4.2 520.6
	Thous. pounds	Thous. dollars
Waxes:		
Petroleum Wax - Paraffin & Par. Wax Vegetable Waxes -	87.3	8.0
Carnauba Wax	18,439.5	11,000.0
Japan Wax	211.2	75.7
Candelilla Wax	3,191.3	2,202.6
Ouricury Wax Other Wax	436.7 3,008.6	341.0 662.3
Insect & Animal Waxes -	3,000,0	002.0
Beeswax (Crude)	4,959.5	2,888.2
Animal Wax	187.8	110.5
Spermaceti Wax	131.6	25.5
Mineral Waxes -		
Montan Wax	1,289.3	224.1
Ozokerite & Other Waxes	1,415.5	567.5
Total	33,358.3	1,810.3

In addition 770,970 pounds of Wax and Other Candles valued at \$217,617 were imported.

Total Value of these imports - \$522,627,000







